

SENATE MOTION

MR. PRESIDENT:

I move that Senate Bill 311 be amended to read as follows:

- 1 Page 25, between lines 34 and 35, begin a new paragraph and insert:
- 2 **"Sec. 11. (a) If the commissioner finds that an insurer has failed**
- 3 **during any calendar year to process and pay clean claims in**
- 4 **compliance with this chapter, the commissioner may assess an**
- 5 **aggregate fine against the insurer according to the following**
- 6 **schedule:**
- 7 **(1) If the insurer has paid at least eighty-five percent (85%)**
- 8 **but less than ninety-five percent (95%) of all clean claims**
- 9 **received from all providers during the calendar year in**
- 10 **compliance with this chapter, a fine of up to ten thousand**
- 11 **dollars (\$10,000).**
- 12 **(2) If the insurer has paid at least sixty percent (60%) but less**
- 13 **than eighty-five percent (85%) of all clean claims received**
- 14 **from all providers during the calendar year in compliance**
- 15 **with this chapter, a fine of at least ten thousand dollars**
- 16 **(\$10,000) but not more than one hundred thousand dollars**
- 17 **(\$100,000).**
- 18 **(3) If the insurer has paid less than sixty percent (60%) of all**
- 19 **clean claims received from all providers during the calendar**
- 20 **year in compliance with this chapter, a fine of at least one**
- 21 **hundred thousand dollars (\$100,000) but not more than two**
- 22 **hundred thousand dollars (\$200,000).**
- 23 **(b) In determining the amount of a fine under this section, the**
- 24 **commissioner shall consider whether:**
- 25 **(1) the insurer's failure to achieve the standards established**
- 26 **by this chapter is due to circumstances beyond the insurer's**
- 27 **control; or**
- 28 **(2) the insurer has been in the business of processing claims**
- 29 **for two (2) years or less.**
- 30 **(c) An insurer may contest a fine imposed under this section by**
- 31 **requesting an administrative hearing under IC 4-21.5 not more**

1 than thirty (30) days after the insurer receives notice of the
2 assessment of the fine.

3 (d) If the commissioner imposes a fine under this section, the
4 commissioner may not impose a penalty against the insurer under
5 IC 27-4-1 for the same activity.

6 (e) Fines collected under this section shall be deposited in the
7 state general fund."

8 Page 28, between lines 27 and 28, begin a new paragraph and insert:

9 "Sec. 9. (a) If the commissioner finds that a health maintenance
10 organization has failed during any calendar year to process and
11 pay clean claims in compliance with this chapter, the commissioner
12 may assess an aggregate fine against the health maintenance
13 organization according to the following schedule:

14 (1) If the health maintenance organization has paid at least
15 eighty-five percent (85%) but less than ninety-five percent
16 (95%) of all clean claims received from all providers during
17 the calendar year in compliance with this chapter, a fine of up
18 to ten thousand dollars (\$10,000).

19 (2) If the health maintenance organization has paid at least
20 sixty percent (60%) but less than eighty-five percent (85%) of
21 all clean claims received from all providers during the
22 calendar year in compliance with this chapter, a fine of at
23 least ten thousand dollars (\$10,000) but not more than one
24 hundred thousand dollars (\$100,000).

25 (3) If the health maintenance organization has paid less than
26 sixty percent (60%) of all clean claims received from all
27 providers during the calendar year in compliance with this
28 chapter, a fine of at least one hundred thousand dollars
29 (\$100,000) but not more than two hundred thousand dollars
30 (\$200,000).

31 (b) In determining the amount of a fine under this section, the
32 commissioner shall consider whether:

33 (1) the health maintenance organization's failure to achieve
34 the standards established by this chapter is due to
35 circumstances beyond the health maintenance organization's
36 control; or

37 (2) the health maintenance organization has been in the
38 business of processing claims for two (2) years or less.

39 (c) A health maintenance organization may contest a fine
40 imposed under this section by requesting an administrative hearing
41 under IC 4-21.5 not more than thirty (30) days after the health
42 maintenance organization receives notice of the assessment of the
43 fine.

44 (d) If the commissioner imposes a fine under this section, the
45 commissioner may not impose a penalty against the health
46 maintenance organization under IC 27-4-1 for the same activity.

47 (e) Fines collected under this section shall be deposited in the
48 state general fund."

(Reference is to SB 311 as printed February 28, 2001.)

Senator MILLER